

1-5-80

EYES ONLY

TO: PRESIDENT CARTER
FROM: HAMILTON JORDAN

I thought you might want an update on reaction to your speech and related matters.

White House Calls. The telephone calls are continuing to run at 2-1 positive reaction to your speech. The negative is a combination of persons who wanted you to be "tougher" on the Soviets and persons specifically opposed to the grain embargo.

Interest Group Reaction. Congressional reaction has been generally positive, possibly a little better than we might have expected. The negatives - predictably - come from the farm states. Solid and strong response from labor and veterans groups. We have gotten good response from Jewish groups and from most business groups. The National Farm Organization responded well, but the other groups did not. Some of the agribusiness companies who deal mostly in grains are "shocked and outraged" and claim that they will be caught in the middle and will go under in the next 30 days.

Iowa Situation. I talked to Romjue early this morning and late this afternoon. It is difficult to assess right now what the impact will be. In a rural area where we have been making telephone calls, support for the President dropped from 66% Thursday night to 45% after the speech Friday. The only good thing is that the loss went to undecided, with very little switching to Kennedy.

Romjue put it best, "we have got to convince the Iowa farmers that our concern and committment is real and that the program will work in an effective way to offset their financial losses".

We are going to have to take the initiative this next week with the farmers, the agribusiness people, the farm organizations leaders and the agricultural press to create the right mood. It can be done with some success, but it will require a lot of Secretary Bergland's time and some of the Vice-President's time. If we create the right mood among the leading people in the agricultural movement, it will have a positive impact on the market and will give us a good shot at Iowa. Kennedy hit us hard today on the grain embargo, and we can expect the Republicans to open up on us.

Rafshoon Film. In view of Afghanistan and the pulling down of SALT II, I asked Jerry Rafshoon Thursday to change the heavy SALT emphasis of the film and to delete certain segments that did not seem relevant in the present atmosphere. They worked on it for a couple of days and completed the changes. I have not yet seen the revised film which will run Sunday night, but hear that it is much better and more appropriate. We screened the earlier film for the senior staff and their comments ranged from "good" to "excellent". Anne Wexler said that it was the best political film that she had ever seen. Their reaction was more positive than mine, but perhaps I have been too close to it.

It should be a plus for us.

This Week. Nothing will be more important this week than to work out the details of our farm package, make sure that it is both adequate and workable, and then sell it to the agricultural community. If we do this well, we will still have a good chance to win Iowa. If the mood at the end of the week is bad and the markets down, then we will be in a very difficult situation.

All of us here are proud of your speech and the difficult decisions that you made. When I review the press, I realize that without the grain decision we would have been roundly criticized for not doing enough.